

EXPLANATORY NOTES

1. Projected GPB workload and relationship with past.

Analysis of Exhibit 1 shows that GPB processed 39,666 line items for procurement action for the period 1 July 1973 through 30 June 1974. The exhibit also indicates that GPB processed 10,762 line items for the next 6-month time interval (1 July 74 - 31 Dec 74). Assuming that processing capabilities and workloads are linear, the projected number of line items processed by GPB at the end of June 1975 could be derived by doubling the December figure ($10,762 \times 2 = 21,524$) or 21,524 line items, which represent a significant reduction in workload. This projection becomes credible in light of the fact that as of the end of December PRA was approximately 49% expended and PPA 52%, as noted elsewhere in the study. *generally greater action in 2nd half*

2. Percentage of line items acquired by GPB in FY 74 relative to all other component activity is also analyzed in Exhibit 1.

GPB processed 50,428 line items for procurement over an 18-month time interval. GPB workloads can be separated into FY 74 and FY 75 production factors by subtracting the total number of line items processed during the first 6 months of FY 75, or 10,759 from the 50,428. The difference, 39,659 line items, represents processing activity which took place in FY 74.

Exhibit 1 shows that 80,201 line items were scheduled for procurement over an 18-month time interval. The number of line items purchased by all system components for FY 74 can be derived by subtracting the 23,120

Explanatory Notes - Attachment Q

line items processed during FY 75 from the 80,201 line items total or 57,081 line items. The percentage of actions handled by GPB during FY 74 can then be derived by dividing the 39,659 line items processed by GPB in FY 74 by the 57,081 line items processed by all components. Mathematically, GPB handled approximately 69% of the purchases processed by components analyzed in Exhibit 1.

3. Conclusions:

Attachment F shows that GPB processed 39.5% of the line items processed for procurement action by all system components during the first half of FY 75. Accordingly, GPB has experienced an approximate 30% reduction in the total number of actions processed vis-a-vis the rest of the system (69% less 39.5) during the first half of FY 75.

Exhibit 2 plots the number of line items processed by GPB over an 18-month time interval and currently shows the number of line items processed by all procurement components identified in Exhibit 1. Analysis of these two lines clearly indicates that GPB either led or closely followed system activity in FY 74. This outcome can be logically explained because GPB handled 69% of the total workload during FY 74. The symmetry of the two plots suggests that system leadtimes, together with workload distribution to each system element, must have been evenly joined.

Analysis of the two curves in the first half of FY 75, however, reveals incongruities. For example, the GPB plot is vectored on a path directly opposite from the rest of the system during the first half of FY 75 over two-thirds of the time. This means that GPB can be expected to

Explanatory Notes - Attachment Q

complete more work as the rest of the system completes less with the converse also being true.

While numerous facts may explain the phenomena described in the preceding paragraph one explanation seems more logical than all others GPB predominated activity for FY 74 and therefore tended to pull system activity in its direction during this period. Still, if system leadtimes between GPB and other components diverged significantly during this period it is believed that the area between the plots would have been much greater. Accordingly, it is believed that components of the system were in reasonable synchronization during FY 74 but became assymetrical during the first half of FY 75. Perhaps the explanation is that all system components, other than GPB, have an average administrative procurement leadtime of 2 weeks or less with GPB averaging approximately 6 weeks. Accordingly, this study concludes that steps must be taken to reduce GPB leadtime to stabilize the performance of the system.